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Southern District of New York*

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**MORTGAGE BROKER SENTENCED IN MANHATTAN FEDERAL COURT TO
SEVEN YEARS IN JAIL FOR STEALING OVER \$6 MILLION IN
MORTGAGE LOAN PROCEEDS**

PREET BHARARA, the United States Attorney for the Southern District of New York, announced today that IRSHAD RAMZAN, a/k/a "Tony," a former mortgage broker who supervised the operations of Queens-based Platinum Funding, was sentenced to seven years in prison for his roles in a scheme to steal over \$6 million in the proceeds of home mortgage loans issued by various banks for the purchase of residential properties, which funds were supposed to be used to pay off existing mortgages on the properties, and in another scheme to obtain home mortgage loans from banks under false pretenses by arranging straw purchases of those homes, thereby generating tens of thousands of dollars in unwarranted fees for RAMZAN and Platinum Funding. The sentence was imposed today by United States District Judge NAOMI REICE BUCHWALD in Manhattan Federal Court.

According to the Indictment and Superseding Information to which RAMZAN pleaded guilty, statements made in court, and other documents filed in this case:

RAMZAN controlled a business called 44th Street Home Funding, Inc., which operated under the trade name "Platinum Funding." Platinum Funding was located in South Ozone Park, New York, and engaged in the business of, among other things, brokering retail real estate and mortgage transactions by arranging for the sales of homes and for home mortgage loans and refinancings.

From 2004 through October 2005, RAMZAN and a co-conspirator, ERIC KOPPELMAN, who has been separately charged, engaged in a scheme to steal the proceeds of home mortgage loans from banks that were supposed to have been used to pay off the existing mortgages on the properties. To further their scheme, RAMZAN and KOPPELMAN issued, and cause to be issued, checks to one or more companies controlled by RAMZAN or KOPPELMAN, which funds represented all or part of the loan proceeds that were to be used to satisfy mortgages. To hide their fraud, RAMZAN and

KOPPELMAN lied to financial institutions providing the home mortgage loans and falsely stated that some of the proceeds of the mortgage loans were being used to satisfy the seller's mortgage loan. Instead, these funds were being used by RAMZAN or Koppelman for their own purposes.

In a separate scheme that RAMZAN supervised, RAMZAN tricked homeowners who were having problems making payments on existing home loans, often to the point of facing foreclosure, to sell their houses to so-called "straw purchasers." In doing so, RAMZAN misrepresented the nature of these "bailout" transactions to the lenders that financed these transactions and, thereby, defrauded these lenders. In return, RAMZAN obtained substantial fees from the transactions.

In addition to the prison term, RAMZAN, 36, of Baldwin, New York, was sentenced to four years of supervised release and was ordered to pay over \$6 million in restitution and to forfeit several properties.

Previously, on February 25, 2010, KOPPELMAN pleaded guilty to conspiracy to commit bank fraud based on his role in the scheme to steal mortgage payoff money. KOPPELMAN, 49, of Hauppauge, New York, is scheduled to be sentenced by United States District Judge PAUL G. GARDEPHE on July 7, 2010, at 11 a.m.

Mr. BHARARA praised the investigative work of the United States Postal Inspection Service and thanked them for their work in this case. He also thanked TICOR Title Insurance Company of Florida for its assistance in the investigation.

These cases are being prosecuted by the Office's Complex Frauds Unit. Assistant United States Attorney DANIEL W. LEVY is in charge of the prosecutions.

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